The Participation Forum*

May 19, 1994

Topic: Participation in Policy Reform, Continued

The fourth session of the Participation Forum once more addressed issues of bringing participation into USAID support for policy reforms. This session emphasized a theme that has been implicit in previous Forum sessions: the importance of learning from experience--not only from "best practices" but also from less-than-successful cases. Larry Byrne, Assistant Administrator for Management, set the stage for this with thoughts about risk-taking in a "change culture." Terry Brown, Assistant to the Administrator for Policy and Program Coordination, and formerly Mission Director, USAID/Guatemala, provided a self-critical look at USAID's support for the Maya Biosphere Reserve Project in Guatemala. The audience offered ways in which this effort might have been approached more successfully. This summary includes the essence of the presentations, the lively discussion, and subsequent E-mail comments. --Diane La Voy, Senior Policy Advisor for Participatory Development.

Accepting Risk-Taking *Larry Byrne*

I would take issue with the idea that some projects "succeed" and some "fail." It depends on our perspective and approach to risk. A true "failure" occurs when we try something, it doesn't work, but we continue to try it again and again. If we at USAID take the scientific experimenter's approach, we will learn from experience. A "change culture" accepts and assumes risk-taking.

Let me give a classic example of this risk-taking approach. 3M originally created a product that almost all of you have in your office: those little yellow post-it notes. Post-it notes grew out of failed experiments 3M was conducting to develop a heavy bonding glue. But 3M took the failed bonding glue and came up with the sticky note idea. From that, the company created a whole new product line.

3M management believes that a significant segment, at least 25 percent, of their profit five years from today will be generated from still-to-be-created products. They don't know what those products will be. Their system rewards risk-taking because "success" includes either producing a new product or finding out what won't work. The people who produced the post-it product included

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*The Participation Forum is a series of monthly noontime meetings for USAID personnel to explore how to put into practice the Administrator's mandate to "build opportunities for participation into the development processes in which we are involved" ("Statement of Principles on Participatory Development," November 16, 1993). Guest speakers from in and outside of USAID describe their experiences and enter into a general discussion of the theme of the session. A summary of the meeting is disseminated within USAID by E-mail, and readers are encouraged to engage in an E-mail dialogue. E-mail should be directed to Diane La Voy, using either the USAID directory or INTERNET, as DLAVOY@USAID.GOV. Printed copies of the Forum summaries will be distributed to participants and attendees from outside of USAID and others interested in participatory development.

the bright guy who thought of it and all the people who had worked on the failed bonding glue tests. They all got bonuses.

As long as we continue to learn and use what we learn, taking risks is a valuable tool. It's only if we don't use what we learn that we fail. This concept of success and failure allows people a much greater amount of flexibility to take risks, to see options, and to do things a different way.

Two Views of Participation *Terry Brown*

The area known as the Petén in the north of Guatemala is one of the largest repositories of germ plasm in the world. In the last 10 years or so, there's been about a 10-fold increase in the population in that part of Guatemala, a large outmigration from the highlands. Currently some 250,000 to 300,000 people live in the Petén. The land is extremely stressed, even though much larger numbers of people lived in that region at the height of the Mayan civilization.

The Petén bio-reserve is 1.5 million hectares in size, an area about the size of El Salvador. It's mostly savannah or tropical forest. The nutrient content of the soil is very poor, better for trees than for anything else. The current rate of deforestation is such that, if it is not checked, within about 30 years, most of the natural forest will disappear. The economy is characterized by slash-and-burn agriculture, which rapidly turns into extensive cattle grazing. The traditional products of the area are chicle; xate (a fern used for floral arrangements); and allspice. There's also extensive logging, both legal and illegal, and an extensive illegal trade in archaeological artifacts. In general, the area of the Petén is Guatemala's wild west. The only real control is through the military; civilian governmental institutions are just beginning to establish themselves.

The program that USAID put forward focused on providing communities with economic alternatives more compatible with the natural forest resource base and with the biosphere reserve status. We approached the project not simply in terms of saving the trees, but in terms of striking a balance between economic activity and preservation of the natural resource.

It was a $22 million project signed in 1990. USAID's share was $10.5 million, the government of Guatemala about $7.5 million, and U.S. NGOs about $4 million. The original planning included some very important and experienced U.S. NGOs: the Nature Conservancy, Conservation International, and Rodale.

The project intended to work with the public sector to establish a sustainable management system for the reserve through the National Commission for Protected Areas, called CONAP. Also we would work with communities to develop alternative sources of income and we would support environmental education in the area. From the beginning, it was clear that it was a people project. If we did not change the way in which people lived and dealt with their environment, the project could not succeed.

Setting the Policy Framework. In 1989 to 1990, prior to my arrival, the mission attempted to establish a national political commitment to the program. President Marco Vinicio Cerezo, the first democratically elected president in Guatemala since the early 1950s, modeled himself as an environmental president and supported the project. Mission staff worked with the Guatemalan legislature and had three major pieces of legislation approved: the Biosphere Reserve Law, which established the Maya Biosphere Reserve; the Protected Areas Law, which created our major counterpart, CONAP, a national system that established basic authorities and rules for protected areas; and a forestry law, which attempted for the first time to put forestry management and control into the hands of a licensing authority in the Ministry of Agriculture. The mission received significant support from Guatemalan and U.S. NGOs during this period.

Thus, when the project began, mission staff felt they had established a national mandate for the program with strong political leadership behind it. The project was going to change the way things were done in the Petén, but it would not be easy.

Program Design and Development. During project paper development, USAID held extensive discussions with the people in the communities about their interests and needs. In terms of project development, it was probably one of the most extensive dialogues that I had seen. My staff traveled widely in the Petén and knew it better than almost anyone else in Guatemala, including most of the folks living there. I am sure that my project manager could easily have been elected governor of the Petén. Also, the leadership of the Guatemalan environmental and public sectors participated in project design. A number of U.S. PVOs were involved in those project design discussions, although they lacked counterparts in the Petén. Guatemalan NGOs had little or no presence there.

So we had supporters, but we also faced strong entrenched resistance. Loggers, both legal and illegal, and "informal" archaeologists, as I would call them, had no interest whatsoever in the government's establishing control in the reserve area. It was an area without any sort of authority beyond the Guatemalan military.

Initial Stages of the Project. During the implementation phase, we carried out a competitive grant process to secure the participation of U.S. NGOs. We in the mission felt that since the project was basically focused on people, it should use mechanisms that would get to people. The public sector certainly was not a way to do that, and the Guatemalan NGO community was very small.

Eventually, three major NGOs participated: CARE, Conservation International, and the Nature Conservancy. They agreed to put up about one dollar for every two dollars of USAID funds. We required that each of them would establish a presence in the Petén, which was not easy. It's a very difficult place to live and work. CARE and Conservation International particularly were focused on community-level activities, on getting communities to buy into the process, identify problems at the community level, and work together on solutions.

NGO involvement on the ground in the Petén was one way to decentralize management of the program. The major Guatemalan counterpart, CONAP, also decentralized its management. By December of 1992 CONAP had about 150 or 200 folks working in the area, mostly Peteneros, people from that area.

We felt we had strong political support. The governor certainly supported the program, along with a number of mayors. The military, at least in a leadership sense, also was supporting the program, or at least not putting up any major resistance.

We worked a lot on balancing stakeholder interests--sawmill owners, loggers, the tourism industry, xate and chicle harvesters, and farmers and the people moving into the area--helping them to understand that we were in favor of the reasonable, sustainable use of the forest resource and did not plan to shut them out entirely.

The program, as initially designed and implemented, had a very strong participation focus because we were most concerned about change in the way people behaved, within a policy environment which had been set before the project was established.

Taking a Second Look. As implementation progressed we found that we had not achieved what we thought we had in the area of participation. Our most important lesson was realizing that the project was not a technically focused project. It really was a political project. It was not a project about trees, but about the distribution of political and economic power.

By December of 1992, some major issues threatened the very life of the project. In three days the legislature essentially legalized illegal logging. The Forestry Service of Ministry of Agriculture was using its licensing authority not to control lumbering, but to raise revenue. There was a direct relationship between the Forestry Service presence and deforestation. CONAP representatives in the Petén had been attacked and beaten in one instance, probably with participation by the military, and a number of the CONAP employees working in the area had not been paid. Mayors were protesting their perceived loss of control. And while the project was

having significant micro-successes, particularly in working with communities, it appeared to be facing a macro-disaster. In other words, the project was not affecting the deforestation of the area.

At the national level, the problem with our approach was that the support we had developed was extremely narrow and largely confined to Guatemala City. The legislature was nonrepresentative. Votes were for sale. There was a lot of balancing of interests and trading off of favors.

So we in USAID were confusing mandate with the appearance of mandate. While we had the support of a very small number of influential people--visionaries--we had no clear national mandate. Our political support was compromised.

We had consulted extensively with the people in the Petén, but it was all USAID. As I said, my staff and a few contractors had spent a great deal of time in the Petén. What was missing was the Guatemalan side of the equation. Although we developed a program that effectively took community concerns into account, the solutions we devised were based on our interpretations of their reality.

The planning process tended to be relatively isolated and leadership focused. We were very dependent on a very small number of people on the Guatemalan side who were subject to being swayed by competing visions of the project; some saw it as an environmental protection project, others as an economic resource project.

Another factor in the planning process was USAID's strong desire to do this project. AID-Washington wanted us to do it, the U.S. PVO community wanted us to do it, and the mission wanted to do it. Given the USAID project framework, certain decisions and time frames preclude greater participation, especially for projects viewed so favorably on the USAID side.

The year between the initial signing of the project and implementation led to a certain demoralization. It was too lengthy. The competitive grant process is lengthy, frustrating for all concerned. Add to that the time it takes to mobilize resources and put them in place once the grants are awarded. There was a long delay, and USAID had no clear counterparts working in the area. That led to the perception, especially in the Petén, that nothing was happening. Unfortunately the Petén was only too familiar with a lot of planning and nothing ever happening.

Management decentralization was ineffective. CONAP leadership changed five times in the Petén and three times in Guatemala City. Decentralization of resources was also ineffective. It was difficult to force resources through the funnel from Guatemala City up into the Petén. We could never persuade Guatemalan leadership in the capital city to focus on the Petén, to get out there themselves, to be part of the project. Again, USAID staff tended to be the ones who were engaged, to bridge the gap.

In terms of balancing stakeholder interests, there was a significant mobilization of opposition forces as the project began to look like it might be successful. For example, the passage of the Logging Extraction Law I mentioned earlier totally undermined our efforts. And in the absence of a Guatemalan political arena to play out these conflicts of interests, we in USAID found ourselves trying to balance stakeholder interests.

The basic question was, whose reform project was this? Was it really ours, or was it theirs? Did we care too much? Did we push the project farther and faster than we should have? In our haste to obligate funds and to get going on a project "everyone wanted," did we fail to understand and identify the political dynamics of the situation? And were we too focused on micro successes and not focused enough on really achieving the broader elements of the program?

Discussion Session

Diane La Voy: We count on all of you to provide the rest of the program. I would like the audience to consider the question: What could USAID have done differently?

Terry Brown has laid out very interestingly a case that looked good but wasn't quite as good as it looked initially. If that sounds familiar to you, we would like to hear your suggestions.

Working for a Consensus Among Donors

Tobey Pierce: From your presentation, I conclude that the community participation part seems to have gone well, but the public sector seems to be where the problem lies. In other countries where we've had success on the ground but have been hampered by lack of public policy will, we've worked on donor coordination. The idea is to develop a powerful consensus among government donors and NGOs. It would seem that if the World Bank, the Inter-American Development Bank, and the other bilaterals had all said the same thing, that approach might have had some promise.

Developing Broader-Based Constituencies

Terry Brown: Although there were not many donors actively involved in Guatemala, the concept of developing broader-based constituencies and taking experience on the ground and applying it back to the political level is extremely important. Initially the project tended to be technically focused. We needed to understand the nature of the political issues in the Petén and to deal with the issue of the military. The United States had cut off military assistance to Guatemala, so it was difficult for us to get support for the program from the military. We might have attempted to mobilize political support in Guatemala City by increasing the visibility of certain issues and concerns. The president was trying to use an environmental cover: we might have been able to use the threat of his being embarrassed by public sector failures to make key changes.

Building Guatemalan Capacity to Press for Policy Change

Jeanne North: I think that your ultimate objective in Guatemala was to promote a process in which not only the USAID people but also interested people in the country would learn about the province, a process in which the nongovernmental people would impact positively on the government and vice versa. It seems to me that looking for opportunities to start such a process would be one thing to do early on.

Pairing With Counterparts

Jim Nations: As a representative of Conservation International, one of the PVOs involved in the project, I would make three recommendations for improving the process next time. First, during the initial planning, USAID brought in a team of 17 specialists from the United States. If each of those specialists had had a Guatemalan counterpart, the planning team would have been a "duplicated" process. As it was, some Guatemalans felt as if the ultimate design was produced by USAID alone.

Seeking Consistency Among Policies

Second, the rest of U.S. policy and other institutions' policies should be brought into sync with USAID's policies. The same might be said for multilateral agencies. For example, the United Nations High Commissioner for Refugees is currently trying to relocate Guatemalan refugees from Mexico in the middle of the national parks of the Maya Biosphere Reserve. That's not in the interest of the refugees, of Guatemala, or of Central America as a whole.

Countering Special Interests Through Information Campaigns

The third point is that the local people, the rural families most directly affected by natural resource use and by the project, are the project's strongest supporters. The people who resist change are those whose livelihoods are threatened by the success of the project. That includes some in the military who are involved in illegal timber, wildlife, and archaeological trade and drug running and the loggers and large landowners, who are more interested in cattle ranching than in the conservation of tropical forests. One way to counter these special interests is to increase the spread of information among the local population. The analogy is that when the lights go on, the rats tend to scurry. In this case, information is the light that we need to spread among the rural population of the Maya Biosphere Reserve.

Involving All Concerned Sectors

Joan Gooden: From what I knew about this project, three sectors seem not actively involved: municipal governments, the military, and the church. I was just in the area and our conversations with mayors and auxiliary mayors confirmed our impression that they were not engaged.

As for the military, I realize that finding a way for them to participate is a real challenge, not just in Guatemala, but in many countries, and particularly in Latin America. When I got back from my field trip, the deputy director of the mission told me that the mission was working with the Strategic Studies Institute, where both military and civilians are taking a course that includes an environmental component. This might be a step towards helping the military figure out how to play another role in society.

The third sector is the church, and not just the Catholic Church. Clearly the evangelicals have been champion organizers in the Petén. It seems to me their involvement would be important because of the influence they have. I would be interested in your reactions to these observations.

Terry Brown: Your comments are very interesting. I guess I would say that what the project lacked from the beginning was a good stakeholder analysis. For example, one of the things that we eventually did but could have done earlier was to shift $100,000 of the $200,000 small grants fund for communities from the highlands to the Petén. That gave the mayors some small resources ($5,000 to $10,000) to deal with. That was a very low-cost way to give the municipal governments some stake in the project. The military was a key target audience, but we focused on them very late.

Lack of counterparts or an indigenous presence in that area continued to haunt the project. One of the NGOs now is trying to establish a Guatemalan counterpart organization. But it is still too much us and not enough of them, except at the community level.

Being Open to Reformulation of the Problem

Frank Method: What I found most telling about this case were your remarks about how much you and Washington and other influential people wanted this project. Two observations about this. One, the lesson that I heard in the discussion of the Malawi experience as recounted in the April Forum was that participation focused on defining the problem and led to a reformulation of the problem as originally defined by USAID.

Second, I liked what Larry Byrne said about managing with a degree of tolerance for risk and learning from the process, but the analogies that he drew with 3M and others that work with an

awareness that they don't know today what products they will be producing five years from now doesn't apply to what we're doing in USAID. In this Maya Biosphere project the mission did not really have the option of following the lead if participation had led to the formulation of a different problem or to some activity in the Petén that put some other priority ahead of deforestation abatement.

Allowing Time for Democratic Processes To Take Root

Brian Housefield: I'm from the Nature Conservancy and, like Jim Nations, I have been with this project since the beginning. It is important to keep in mind that the Maya Biosphere Reserve is part of a much larger contiguous forest that spans three nations. Five years ago, when we began this process, throughout Central America and in much of Mexico, democracy was only a glimmer in some people's eyes. Today, thanks partly to USAID, the area is gradually democratizing. When Cerezo's government came in, USAID grasped an opportunity to set aside a large conservation area and perhaps moved a little bit too fast in terms of local community participation. However, with democracy just coming back in after 30 years of dictatorship, there weren't any social institutions that we could call democratic. Democracy is a learning process that has to occur at both the community level and at the highest levels in government. The Guatemalans working on this project are beginning to understand that they can actually stand up and voice an opinion at a public forum without fear.

The important lesson here for USAID is continuity of effort. Life of project and moving a lot of money fast and success in terms of dollars spent have very little to do with success on the ground.

Terry Brown: I agree that we tend to get trapped in project frameworks. One of the advantages of strategic planning is that we may be able to get longer-term commitments around broader objectives and to shift resources as we learn from our successes and failures. The project in the Petén is not a six-year activity; it's a much longer process than that.

Assuring the Participation of Women

Jenna Luche: It's unclear to me how gender roles or responsibilities are reflected in participation at the community level.

Terry Brown: Conservation International, in its work on economic issues, has adopted a family-based approach, with the emphasis on roles within families and economic opportunities for females. Thus the project clearly addresses gender issues. From that perspective the project is one of the most effective that I've seen in Guatemala.

Working with Local Governments

Mike Gallavan: I just want to address one of the dozens of interesting issues your presentation raised: the unreliability of bureaucratic counterparts. The obvious point is that they tend to come and go quite rapidly. Given the near universality of that phenomenon and the transition to democracy, I think we in USAID need to rethink what a counterpart is. Perhaps elected officials at the local level could be considered counterparts. By its nature, a project like the Maya Biosphere Reserve goes to a certain part of the country, and we could look for the most promising elected officials or local governments there to work with. These officials are in office for a longer period than most of our central bureaucratic counterparts are, and, because they usually live

in the project area, they have a commitment to it that central bureaucrats, who come from the national capitals, seldom have.

Terry Brown: As a direct result of experience in two projects--this one as well as a 10-year activity in watershed management--we in USAID Guatemala gave up on the public sector. We looked at natural resources as an objective rather than a project, for a year, trying to figure out bureaucratically how to avoid national structures and go to the community level, specifically mayors and community councils. We got ourselves so wrapped around accountability issues that, in frustration, we chose another model, which was using a U.S. PVO structure to get to the community level. I think USAID needs an instrument, or point of access, that will make it possible for us to engage fully, especially at the community level and especially through political structures.

Bringing Stakeholders Together To Resolve Issues

Ken Schofield: Were there any organizations or people in the Petén that could have the power of convocation to bring the stakeholders together to talk about some of the political issues involved?

Terry Brown: Attempts were made, but the most difficult stakeholders either did not attend or were not interested. One of the most corrupt legislators in the Guatemalan Congress was from the Petén. He was the one who proposed the law that if a tree had been cut, it could be extracted from the forest without a license. So the chain saw sales in the Petén skyrocketed. The military and the logging interests were probably the two most serious stakeholders. It was difficult to get access to them, especially for a non-Guatemalan. Furthermore, participation has up until just recently been discouraged in Guatemala. In the early 1980s, especially in rural areas, assuming a leadership role was a death sentence. That mentality of repression still continued. The situation was even worse in the Petén, because until the Cerezo government, it had been a military reserve with no civilian institutions at all.

Getting Local Talent Involved

Diana Putman: In some countries USAID has moved beyond reliance on the public sector by using local talent throughout the design, planning, and implementation process. In Tunisia, we discovered that even when the local talent didn't help very much in writing up a report or getting paper work done, getting them interested and on board meant that a much broader batch of people heard about what was going on. Also, continuing to use these consultants built up local expertise. When USAID left Tunisia, it left behind a cadre of local consultants that continued to work with other donors and to spread the philosophy of participation and working on the social side of things. Does that kind of talent exist in Guatemala?

Terry Brown: Your point is very well taken in differentiating between local capacity to write our pieces of paper and local capacity to manage and carry out programs.

The (U.S.) NGOs have been relatively successful in identifying people in the Petén to work on the programs. But they were less successful in identifying counterparts that could bridge the resource gap between Guatemala City and the Petén.

Focusing More on the Demand Side in Natural Resources Policy

_____: Did you consider working on the demand side rather than the supply side in addressing the question of a national forestry policy? For example, West Africa is faced with Europe's year 2000 requirement that imported products be "green." In one instance USAID approached protection of the West African tropical forest by helping an association of sawmill operators to meet the requirements of the year 2000. Guatemala is very different, but it still may be possible to look downstream at who is using the forestry projects.

Terry Brown: At least one Guatemalan furniture manufacturer was basing his business on certifying that any wood used came from a cultivated rather than a natural forest. So I think more of a demand approach might be taken. On the other hand, based on earlier policies, USAID Guatemala financed a sawmill about four years ago, the biggest sawmill in the Petén, thus creating a problem for ourselves in the Maya Biosphere Reserve project.

Strengthening Social Science Analysis

Diane La Voy: These comments and suggestions will give us all a lot to think about, but I notice that we may be coming up short when it comes to suggesting how to deal with the difficult issues of the military. We're faced with the question of how to promote policy change where the military, though not as actively repressive as they once were, are still feared.

Christina Schoux: I'm just struck by how many of the problems of the project were related to participation and stakeholder issues, and wonder if we have gotten away too far from what we used to call social soundness analysis. I worry that, as USAID looks at diminishing some of its project design requirements, we might be in danger of throwing the baby out with the bath water. As we look at projects in democracy, micro enterprise, health, environment, and so forth, sociopolitical analyses need to be rethought and brought back into greater prominence.

Terry Brown: I went back to the project paper to look at the technical and social analysis and found that there wasn't a word about these kinds of issues--not that they weren't in the heads of the people who put this together.

Guatemala wasn't a small mission, but we had only one U.S. direct hire, a PASA, and a Guatemalan professional working on the project. They were so wrapped up in doing the kind of work that contractors can't do on the process side of the program and establishing the linkage between the community and Guatemala City, that they did not have time to conduct a sociopolitical analysis. They were frustrated by not having the time to be more effective in that area. USAID missions are not staffed to look at the behavioral dimensions of what we're doing. Our two direct hires found themselves totally stressed out because of the extensive traveling in the Petén and USAID bureaucratic requirements.

Communications from the E-Mail Bag

The following excerpts are taken from the many e-mail comments received. Several took their cue from Terry Brown by examining some USAID experiences and perceptions with a critical eye.

Lessons from Policy Reforms in Tunisia, Sri Lanka, Bangladesh, and Cameroon

Tim Miller: Last year we did a study through the ISPAN Project called "Contrasting Approaches for Water Policy Development in Tunisia and Sri Lanka." We wanted to find out how successful each policy effort had been and what went right and what went wrong. As it turned out the effort in Tunisia had far more immediate success than the one in Sri Lanka. Reviewers thought the effort in Sri Lanka might have a payoff in the longer term and, in this regard, we have just been informed by USAID/Colombo that some of the recommendations have found their way into recent legislation.

The objective in Tunisia was to develop and implement a national strategy (Action Plan) for forming and monitoring viable water users associations. Over the longer term, these structures would serve as institutional bases for locally initiated community-development activities. Some features of the experience were: occurred within an appropriate macroeconomic and legal framework; based on replicable field-tested models; all major parties viewed policy changes as desirable and the implementation process generated no significant group of "losers"; process directed by a core of well-trained, experienced, and motivated Government of Tunisia officials; process designed to be iterative, flexible, and consultative; other major donors actively supported the process.

Dick Brown: Policy reforms are successful if they have clients within the Government who need and can use the policy analysis -- and the recommendations serve their development objectives (and often their political needs) in a timely manner.

Failures are usually attributable to being "externally driven" policy changes (often by donor agencies), having insufficient support or will within the Government

("ownership"), lacking sufficient analysis to make the economic (and political) arguments, not being timely, or being presented inappropriately (using a two by four rather than a velvet glove).

Failures are also relative. We conducted in Sri Lanka a particularly difficult policy change relating to participatory management of irrigation systems. The exercise involved numerous studies and periodic workshops with the senior-most policy makers from the "competing" ministries. Through this gradual process we were able to successfully achieve a high degree of consensus amongst the participants. We had intended that this would lead to legislation in late 1991. The Government found it difficult to approve the "large pill" but most of the participants saw the value of the approach and without legislation began to move to implement many of the exercise's recommendations. I just received word from the Mission and the primary Government policy makers that legislation will be approved by the cabinet next week. The policy reform effort has produced a change in irrigation management as well as in promulgation of new law.

Keep up the good work. You have successfully established "participation" as an important part of the Mission (and Agency) lexicon. And while I believe we were already doing quite a good job before intuitively, we now make it an explicit part of our design and implementation process.

Frank Young: What essential lessons have we learned from doing "policy reform" in Bangladesh?

1. It is a long-term process. Effective policy reform takes a decade, even longer to assure institutional commitment and sustainability. It takes this long because policy reform means building alliances with senior policy makers and bureaucrats at the operational level who share the same reform agenda. These alliances must evolve into networks which stretch outside of government into private interest groups so that policy change is transparent and accountable.

2. Policy reform and change are not linear. One has to expect recidivism and even failure for a while. This is because entrenched groups don't give up easily. Donor coordination is important, but the strategy has to be how to strengthen the alliances and networks we are nurturing.

3. Policy reform FAILS if it doesn't have a clear vision of who in society it is benefiting, and why. Unless the benefit stream of reform is identified and pursued, the reform program will lose power. Here risk-taking is important. Beneficiaries, however, must understand the risks they take as well.

4. Effective policy dialogue must be between equals (partnership). Both donors and host country organizations (public and private) must bring legitimate interests to the table and deal from respective positions of strength. The process is, after all, negotiation.

USAID, in many cases, can play only a catalytic role. This role focuses sympathetic quarters in society and our donor colleagues on the essential issues and brings the technical expertise to bear to analyze and surface major issues and alternatives. In this sense, achievements are not ours alone, but then if building effective alliances and networks is a critical ingredient to sustainable reform, this is the way it should be.

David Eckerson: Policy change that works depends on a lot of things going right at the right time, or a lot of things going wrong at the right time. We, as outsiders, can catalyze the process, but not lead or direct it.

In Cameroon, when the GOC integrated nutrition into their five-year development plan, the most critical element was the interpersonal dynamic of committed people (who were friends) guiding a process to make life better for others in need.

Recognizing Politics in Development

Anonymous Correspondent: I had a 5-year tour in Egypt during the last years of Sadat's tenure and the first of Mubarak's. Egypt's status as an important ESF country created some unique problems. The Egyptians knew we had obligation targets and that the country was a State Department program. USAID staff members were much respected by our counterparts, but the history of the program taught the counterparts that they could largely ignore us on policy issues.

These initial conditions encouraged USAID to adopt a narrow technical perspective on its programs. USAID/Egypt was similar to other countries in which I served, in that Mission staff dealt with their counterparts primarily as technicians rather than (also) as politicians. This perspective was easier to adopt in Egypt because only two or three ministers had independent power bases; the others were technicians.

As policy issues assumed greater visibility (in large part through the World Bank and IMF), USAID discovered it lacked policy-dialogue counterparts -- that is, mainline ministries didn't have market-oriented economists. This awareness led to a Ph.D.-generating program managed by the Minister of Administrative Reform (Egypt's OPM), which seems to have been based on the questionable assumption that a reform mafia would be created within key ministries and that these technicians could, qua technicians, effect significant reforms. This apolitical perspective also seemed to assume that the (American-Ph.D.) Minister in charge of the program would adopt a narrow technical approach to the abundant resources provided him. Instead, I believe this minister used USAID's resources to build his own political base, as he had lots of favors to dispense. The Minister's goodies were primarily graduate fellowships and the larger training program included in this single project package.

I think AID would (and will) do better if we recognize that development is a political issue and that our counterparts stand in different positions on the map of political power and influence. If we are going to reward counterparts with disposable "project" resources, let's at least reward those who can make a policy difference.

Later, I served in two countries where my responsibilities led to work with counterparts in their role as politicians in ways that affected economic development. In both countries, we were able to help change the political system by building mechanisms and structures that allowed political opening, accountability and transparency. My ambassadors in both countries were supportive of this approach.

Perhaps the least we can do is to require Missions to politically map their countries, to relate projects and programs to this map, and to justify approaches to policy dialogue and reform according to the map.

Finally, it is normal for the Ambassador to restrict contacts with the PM, President, and (in some instances) the legislature to the Ambassador himself/herself.

Recognizing that policy reform is a political process and issue, this division of privileges between State and AID warrants review and change. We may have created a structure that severely inhibits successful policy dialogue and reform.

The Learning Organization

Frank Method: It is true that USAID is reorganizing to manage differently, and that the management culture of USAID is becoming more open to learning from experience and more able to make mid-course corrections in the process. I do not think that we are creating either an organization structure or a management culture which is open to learning about new products or taking on new challenges.

My view reflects a particular frustration with the difficulty of getting adequate attention to issues of children and child development (which get buried and marginalized because they require non-standard and multi-sector approaches and do not yield easily to vertical reporting and management structures) and to issues of education and human capacity development (which are cross-cutting in nature with multiple external benefits and which therefore are not fully captured in any one of the new conceptual or organizational boxes of the sustainable development strategies). However, it also reflects a more general concern that the new organization is under-investing in research and analysis (not just evaluation and monitoring), is not sufficiently interactive with other organizations and agencies working on related topics, has not yet created forums in which new technical possibilities (not just management options and process changes) can be discussed seriously, and has not absorbed the lessons from the corporate community of what it means to be a learning organization engaged in continuous improvement and continuous product development.

Toni Christiansen-Wagner: A major way USAID can learn from our experiences is through the use of better communications about what has worked and what hasn't. Many times our experiences are shared within a Bureau but not within the Agency. The old bureaucratic structure made it difficult, if not impossible, to share experiences; but as in the case of demobilization and reconstruction efforts, we should do a better job of sharing information in the form of lessons learned so that we can plan programs that may have a higher success rate.

We should also think of ways to exchange information with other donors on topics of interest and their experience in dealing with them.

William Miner: Until the last session of the Participation Forum, all that I had heard about Terry Brown's experience in Guatemala with promoting and leading the participatory approach to development program design and implementation had been extremely positive and laudatory. Thus, it was quite an eye-opener to hear his retrospective presentation. The shortcomings and the possible explanations thereof were not startling or unusual; in fact, they sounded rather familiar.

I applaud him and you for the presentation. The Agency finds it difficult to look at the past, even more so if there is not a success story to tell.